



Commerce

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Commerce

	Revised FY 2006	Requested FY 2007	Requested FY 2008	Recommended FY 2007	Recommended FY 2008
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	54,799,600	94,514,600	126,080,400	54,857,100	59,037,000
Current Year Appropriation		69,800	72,800		
Continuing Appropriation	99,100				
Salary Compensation Fund	2,461,100				
Base Deduction	-1,135,800				
Reorganization Adjustments	181,400				
Total General Fund	56,405,400	94,584,400	126,153,200	54,857,100	59,037,000
Restricted Funds					
Balance Forward	42,001,800	39,986,900	34,908,500	38,880,100	36,941,500
Current Receipts	149,965,800	157,882,300	163,703,400	154,443,400	161,320,800
Non-Revenue Receipts	-8,654,600	-10,671,700	-12,570,200	-10,285,600	-13,787,400
Fund Transfers	-1,315,800				
Total Restricted Funds	181,997,200	187,197,500	186,041,700	183,037,900	184,474,900
Federal Funds					
Balance Forward	4,705,600	3,487,152	2,336,352	3,559,400	3,379,100
Current Receipts	15,302,100	14,730,800	14,480,600	14,573,900	14,307,500
Total Federal Funds	20,007,700	18,217,952	16,816,952	18,133,300	17,686,600
TOTAL SOURCE OF FUNDS	258,410,300	299,999,852	329,011,852	256,028,300	261,198,500
EXPENDITURES BY CLASS					
Personnel Cost	122,950,400	140,862,600	147,962,800	125,036,600	128,119,800
Operating Expenses	59,484,600	64,115,100	64,720,300	59,469,300	59,491,200
Grants, Loans or Benefits	26,048,500	32,771,700	32,751,650	24,918,600	24,901,900
Debt Service	4,012,900	22,474,100	48,634,200	4,322,100	8,626,400
Capital Outlay	2,714,400	2,531,500	2,591,600	1,961,100	2,007,300
Construction	760,000				
TOTAL EXPENDITURES	215,970,800	262,755,000	296,660,550	215,707,700	223,146,600
EXPENDITURES BY FUND SOURCE					
General Fund	56,405,400	94,584,400	126,153,200	54,857,100	59,037,000
Restricted Funds	143,117,100	152,289,000	154,719,200	146,096,400	149,829,700
Federal Funds	16,448,300	15,881,600	15,788,150	14,754,200	14,279,900
TOTAL EXPENDITURES	215,970,800	262,755,000	296,660,550	215,707,700	223,146,600
EXPENDITURES BY UNIT					
Secretary	3,923,600	4,426,700	4,607,500	4,094,300	4,135,900
Artisans Center	2,202,200	2,974,500	3,066,400	2,325,200	2,349,600
Energy Policy	10,866,200	11,338,800	11,405,400	10,124,300	10,124,300
Tourism	16,030,600	17,267,700	24,492,000	15,830,500	16,376,500
Parks	82,035,900	91,805,500	110,676,100	83,011,100	85,158,000
Horse Park Commission	7,687,200	9,338,100	13,375,500	7,947,500	11,124,700
State Fair Board	36,567,300	56,842,300	57,763,300	37,455,400	38,333,700
Fish and Wildlife Resources	39,305,700	43,043,600	44,897,000	38,842,400	39,908,100
Historical Society	7,890,600	13,730,900	13,789,400	7,667,300	7,223,100
Arts Council	5,343,400	6,691,100	6,744,850	5,257,000	5,242,200
Heritage Council	2,394,100	3,165,800	3,183,400	2,038,300	2,056,100
Kentucky Center for the Arts	1,724,000	2,130,000	2,659,700	1,114,400	1,114,400
TOTAL EXPENDITURES	215,970,800	262,755,000	296,660,550	215,707,700	223,146,600

Executive Order 2003-064, ratified by the 2005 Regular Session of the General Assembly, created the Commerce Cabinet by combining the former Tourism Development Cabinet and elements of the Education, Arts and Humanities Cabinet. The Commerce Cabinet's mission (KRS 148.522) is to capitalize on the natural assets of the Commonwealth and draw from resources in business development, tourism, outdoor attractions, arts, and cultural heritage. Through unified efforts of its agencies, the Cabinet will continually strive to improve the quality of life of the people of Kentucky by creating new wealth and generating jobs. The Cabinet estimates tourism spending in excess of \$8.8 billion annually, making tourism Kentucky's third-largest industry. The tourism industry, Kentucky's second-largest private employer, provides employment for approximately 163,000 Kentuckians. In addition, tourism related industries and businesses generate approximately \$917 million of state and local tax revenues in the Commonwealth.

Executive Order 2003-064 transferred the following entities from the Education, Arts, and Humanities Cabinet to the Commerce Cabinet:

- The Kentucky Arts Council
- The Kentucky Historical Society
- The Kentucky Center for the Arts
- The Kentucky Craft Marketing program
- The Governor's School for the Arts
- The Kentucky African-American Heritage Commission
- The Kentucky Heritage Council
- The Kentucky Humanities Council

Executive Order 2003-064 also transferred the following entities from the Governor's Office to the Commerce Cabinet:

- The Kentucky Coal Council and the Office of Coal Marketing and Export
- The Commission on Small Business Advocacy

Subsequent to the original reorganization, Executive Order 2004-723 transferred the following entities from the Finance and Administration Cabinet to the Commerce Cabinet:

- Capital Plaza Operations
- Creative Services

Each of the above Executive Orders was ratified in the 2005 Regular Session of the General Assembly by Senate Bill 40. Within Senate Bill 40, the Commission on Small Business Advocacy was transferred to the Economic Development Cabinet. Also added by Senate Bill 40 and attached to the Office of the Secretary's appropriation unit was the Office of Energy Policy. The old Division of Energy within the Environmental and Public Protection Cabinet was transferred to this new office by Senate Bill 41. In addition, Senate Bill 65 created the Kentucky Sports Authority and attached it to the Office of the Secretary's appropriation unit.

**Commerce
Secretary**

	Revised FY 2006	Requested FY 2007	Requested FY 2008	Recommended FY 2007	Recommended FY 2008
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	2,533,000	3,270,400	3,423,400	3,048,100	3,073,000
Current Year Appropriation		69,800	72,800		
Continuing Appropriation	99,100				
Salary Compensation Fund	124,300				
Reorganization Adjustments	181,400				
Total General Fund	2,937,800	3,340,200	3,496,200	3,048,100	3,073,000
Restricted Funds					
Balance Forward	645,300	595,800	495,600	405,100	324,000
Current Receipts	936,300	986,300	1,011,300	965,100	967,100
Fund Transfers	-190,700				
Total Restricted Funds	1,390,900	1,582,100	1,506,900	1,370,200	1,291,100
TOTAL SOURCE OF FUNDS	4,328,700	4,922,300	5,003,100	4,418,300	4,364,100
EXPENDITURES BY CLASS					
Personnel Cost	2,943,000	3,591,000	3,781,800	3,134,000	3,187,500
Operating Expenses	591,900	477,000	477,000	613,400	613,400
Grants, Loans or Benefits	335,000	281,400	281,400	335,000	335,000
Capital Outlay	53,700	77,300	67,300	11,900	
TOTAL EXPENDITURES	3,923,600	4,426,700	4,607,500	4,094,300	4,135,900
EXPENDITURES BY FUND SOURCE					
General Fund	2,937,800	3,340,200	3,496,200	3,048,100	3,073,000
Restricted Funds	985,800	1,086,500	1,111,300	1,046,200	1,062,900
TOTAL EXPENDITURES	3,923,600	4,426,700	4,607,500	4,094,300	4,135,900
EXPENDITURES BY UNIT					
Executive Policy and Management	2,265,000	2,556,600	2,659,400	2,375,300	2,400,200
Capital Plaza Operations	685,800	774,400	799,200	754,200	766,100
Creative Services	972,800	1,095,700	1,148,900	964,800	969,600
TOTAL EXPENDITURES	3,923,600	4,426,700	4,607,500	4,094,300	4,135,900

Executive Order 2003-064, which was ratified by the 2005 Regular Session of the General Assembly, created the Commerce Cabinet by combining the former Tourism Development Cabinet and elements of the Education, Arts and Humanities Cabinet. The Office of the Secretary of the Commerce Cabinet coordinates the various agencies within the Cabinet.

The Executive Policy and Management unit directs planning and management of the agencies within the Cabinet. This program develops plans to assure orderly growth and improved management, recommends executive actions and legislative measures, and evaluates agency budget requests.

Policy

The 2005 General Assembly took the following actions:

- Added by Senate Bill 40 and attached to the Office of the Secretary's appropriation unit was the Office of Energy Policy. The old Division of Energy within the Environmental and Public Protection Cabinet was transferred to this new Office by Senate

Bill 41. The Office of Energy Policy is being recommended as a separate appropriation unit in fiscal biennium 2006-2008.

- Added by Senate Bill 40 and attached to the Office of the Secretary's appropriation unit was the Office of Energy Policy. The old Division of Energy within the Environmental and Public Protection Cabinet was transferred to this new Office by Senate Bill 41. The Office of Energy Policy is being recommended as a separate appropriation unit in fiscal biennium 2006-2008.
- Senate Bill 65 created the Kentucky Sports Authority and attached it to the Office of the Secretary's appropriation unit. Although this was attached to the Office of the Secretary, the funding was provided by the Department of Tourism. The Commerce Cabinet is expected to present housekeeping legislation to resolve the discrepancy.
- The Creative Services and the Capital Plaza Operations programs were transferred from the Finance and Administration Cabinet to the Commerce Cabinet, Office of the Secretary, by Senate Bill 40.
- The Commission on Small Business Advocacy was transferred from the Governor's Office to the Commerce Cabinet's Office of the Secretary by Executive Order 2003-064. Subsequent to the Executive Order, this Office was transferred to the Economic Development Cabinet by Senate Bill 40.

The Governor's recommended budget includes \$330,000 in each year of the biennium for outdoor drama grants.

Executive order 2005-576 moved grants to the Mountain Arts Center, the Blue Apple Players, and the Martin Luther King Commission from the Education Cabinet to the Commerce Cabinet, Office of the Secretary.

**Commerce
Artisans Center**

	Revised FY 2006	Requested FY 2007	Requested FY 2008	Recommended FY 2007	Recommended FY 2008
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	183,800	445,300	530,500	156,200	156,200
Salary Compensation Fund	35,700				
Base Deduction	-63,300				
Total General Fund	156,200	445,300	530,500	156,200	156,200
Restricted Funds					
Balance Forward	323,300	323,300	323,300	276,100	220,300
Current Receipts	1,908,800	2,439,200	2,445,900	2,023,200	2,083,900
Non-Revenue Receipts	90,000	90,000	90,000	90,000	90,000
Total Restricted Funds	2,322,100	2,852,500	2,859,200	2,389,300	2,394,200
TOTAL SOURCE OF FUNDS	2,478,300	3,297,800	3,389,700	2,545,500	2,550,400
EXPENDITURES BY CLASS					
Personnel Cost	985,800	1,453,600	1,525,000	1,108,800	1,133,200
Operating Expenses	1,216,400	1,520,900	1,541,400	1,216,400	1,216,400
TOTAL EXPENDITURES	2,202,200	2,974,500	3,066,400	2,325,200	2,349,600
EXPENDITURES BY FUND SOURCE					
General Fund	156,200	445,300	530,500	156,200	156,200
Restricted Funds	2,046,000	2,529,200	2,535,900	2,169,000	2,193,400
TOTAL EXPENDITURES	2,202,200	2,974,500	3,066,400	2,325,200	2,349,600

The Kentucky Artisans Center at Berea is an icon for Kentucky's nationally known arts and crafts products and serves as a gateway for travelers to quality Kentucky arts, crafts, music, and other artisan products and authentic heritage experiences. The Center also provides exemplary hospitality and rest stop services.

The Kentucky Artisan's Center Gateway Authority (KRS 148.560-569) was created to direct operations of the Center and is attached to the Commerce Cabinet for administrative purposes.

**Commerce
Energy Policy**

	Revised FY 2006	Requested FY 2007	Requested FY 2008	Recommended FY 2007	Recommended FY 2008
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	2,341,500	2,681,700	2,748,300	2,341,500	2,341,500
Total General Fund	2,341,500	2,681,700	2,748,300	2,341,500	2,341,500
Restricted Funds					
Balance Forward	1,183,500	1,183,500	1,183,500		
Current Receipts	5,511,000	6,228,000	6,228,000	5,400,000	5,400,000
Fund Transfers	-506,300				
Total Restricted Funds	6,188,200	7,411,500	7,411,500	5,400,000	5,400,000
Federal Funds					
Current Receipts	2,336,500	2,429,100	2,429,100	2,382,800	2,382,800
Total Federal Funds	2,336,500	2,429,100	2,429,100	2,382,800	2,382,800
TOTAL SOURCE OF FUNDS	10,866,200	12,522,300	12,588,900	10,124,300	10,124,300
EXPENDITURES BY CLASS					
Personnel Cost	1,008,000	1,322,900	1,389,500	1,030,800	1,049,600
Operating Expenses	445,500	541,500	541,500	445,500	445,500
Grants, Loans or Benefits	9,412,700	9,474,400	9,474,400	8,648,000	8,629,200
TOTAL EXPENDITURES	10,866,200	11,338,800	11,405,400	10,124,300	10,124,300
EXPENDITURES BY FUND SOURCE					
General Fund	2,341,500	2,681,700	2,748,300	2,341,500	2,341,500
Restricted Funds	6,188,200	6,228,000	6,228,000	5,400,000	5,400,000
Federal Funds	2,336,500	2,429,100	2,429,100	2,382,800	2,382,800
TOTAL EXPENDITURES	10,866,200	11,338,800	11,405,400	10,124,300	10,124,300

The Kentucky Office of Energy Policy was established in 2005 by the Governor and the General Assembly to benefit the citizens of the Commonwealth by addressing key recommendations made in the Commonwealth's Comprehensive Energy Strategy.

The office supports energy-related research and development that will benefit Kentuckians by helping to maintain Kentucky's low-cost energy, develop Kentucky's energy resources responsibly, and preserve Kentucky's environmental quality.

To fulfill its objectives, the Office of Energy Policy has initiated five programs to provide financial support to Kentucky's public universities and industry for energy-related research, development, and demonstration. These programs include Applied Energy, Clean Coal, FutureGen, University Research Matching Funds, and University Research and Development Seed Grants.

The Office supports the Kentucky Coal Council. The Council consists of 14 members and its functions are defined in KRS 154.12-252. The duties of the Council include, but are not limited to, promotion of Kentucky coal through development of market information, coordination of ongoing research and marketing programs relating to coal production, transportation, and consumption, identification of national and international market developments relating to coal, and advising coal operators and other industries seeking to enter or expand domestic or export markets. This office receives \$400,000 from the property tax on unmined coal for the benefit of the Council that is to be used for the purpose of public education of coal-related issues.

The Office is funded with eight different federal grants totaling \$2.2 million dollars. The two largest of these are the Energy Efficiency in State Government Buildings (\$979,200 annually) and the State Energy Program (\$726,000 annually).

Policy

Included in the Governor's recommended budget is \$3.5 million in Restricted Funds in each year of fiscal biennium 2006-2008 for research grants. These funds will originate from the Local Government Economic Development Fund Multi-county Fund (coal severance tax).

Included in the Governor's recommended budget is a transfer of \$400,000 in Federal Funds in fiscal year 2006-2007 from the Energy Efficiency in State Government Buildings federal grant to the Chiller Pool capital project in the Cabinet for Health and Family Services.

**Commerce
Tourism**

	Revised FY 2006	Requested FY 2007	Requested FY 2008	Recommended FY 2007	Recommended FY 2008
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	8,606,200	9,267,700	16,492,000	7,130,500	7,176,500
Salary Compensation Fund	117,100				
Base Deduction	-692,700				
Total General Fund	8,030,600	9,267,700	16,492,000	7,130,500	7,176,500
Restricted Funds					
Balance Forward	204,000	204,000	204,000		
Current Receipts	8,000,000	8,000,000	8,000,000	7,700,000	8,200,000
Non-Revenue Receipts				1,000,000	1,000,000
Fund Transfers	-204,000				
Total Restricted Funds	8,000,000	8,204,000	8,204,000	8,700,000	9,200,000
TOTAL SOURCE OF FUNDS	16,030,600	17,471,700	24,696,000	15,830,500	16,376,500
EXPENDITURES BY CLASS					
Personnel Cost	5,640,300	6,890,600	7,130,800	5,723,100	5,788,300
Operating Expenses	1,211,700	1,035,000	1,035,100	1,211,700	1,211,800
Grants, Loans or Benefits	9,178,600	9,342,100	9,342,100	8,895,700	9,376,400
Debt Service			6,984,000		
TOTAL EXPENDITURES	16,030,600	17,267,700	24,492,000	15,830,500	16,376,500
EXPENDITURES BY FUND SOURCE					
General Fund	8,030,600	9,267,700	16,492,000	7,130,500	7,176,500
Restricted Funds	8,000,000	8,000,000	8,000,000	8,700,000	9,200,000
TOTAL EXPENDITURES	16,030,600	17,267,700	24,492,000	15,830,500	16,376,500
EXPENDITURES BY UNIT					
Executive Policy and Management	752,700	1,066,200	1,111,700	855,900	866,900
Tourism Services	1,787,500	2,177,700	2,281,400	1,740,500	1,772,400
Marketing and Advertising	4,052,700	4,487,500	4,564,500	4,052,700	4,052,700
Sports Authority	437,700	536,300	7,534,400	481,400	484,500
Marketing/Development Coal Counties	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Convention/Meeting	8,000,000	8,000,000	8,000,000	7,700,000	8,200,000
TOTAL EXPENDITURES	16,030,600	17,267,700	24,492,000	15,830,500	16,376,500

The Department of Tourism was created to promote, develop, and provide support services for the tourism industry within the Commonwealth.

The Executive Policy and Management program establishes the policies and goals; coordinates the overall planning, management, and direction for the agency; and provides for the efficient administration of the Department and its programs.

The Tourism Services Division operates welcome centers in Florence, Franklin, Grayson, Hopkinsville, Paducah, Simpsonville, Shepherdsville, and Williamsburg; generates sales revenue to Kentucky's tourism industry through trade show participation and pursuit of group, commercial, and individual markets; and disseminates tourism information to tourists and potential visitors via a telephone system, direct mail, and the welcome centers. The goal of the Tourism Services Division is to conduct a comprehensive travel promotion campaign and to serve Kentucky's private sector tourism industry. This program also markets and promotes Kentucky to the film industry to attract television and feature movie productions to the state.

The Marketing and Advertising Division develops and coordinates state tourism advertising and tourism media placement; coordinates and produces tourism brochures and sales promotion materials; assists non-profit private sector groups with advertising and promotion costs through matching funds and cooperative advertising programs; develops and maintains the department's website (www.kentuckytourism.com); and develops and maintains a marketing and research data base on Kentucky's tourism industry. The goal of this program is to develop, coordinate, and maintain a comprehensive advertising campaign to promote Kentucky as a tourism destination.

House Bill 272 of the 2005 General Assembly established a one percent transient room tax and dedicated the revenue from that tax to a new fund titled The Tourism, Meeting, and Convention Marketing Fund. The Tourism, Meeting, and Convention Marketing Fund shall be used for the sole purpose of marketing and promoting tourism in the Commonwealth including expenditures to market and promote events and venues related to meetings, conventions, trade shows, cultural activities, historical sites, recreation, entertainment, natural phenomena, areas of scenic beauty, craft marketing, and any other economic activity that brings tourists and visitors to the Commonwealth. This new fund shall not support expenditures on capital construction projects.

The Kentucky Sports Authority is established pursuant to KRS 148.590. Its primary responsibility is to recruit, promote, assist, place, and develop sporting events, facilities, and programs in the Commonwealth, with the ultimate goal of developing commerce, the economy, job opportunities, and revenue streams. The Kentucky Sports Authority has been very successful with recruiting events like Dew Action Sports, Bassmaster Tournaments, and the National Senior games to the Commonwealth. The authority has also been very involved with the proposed development of a new multi-purpose arena in Louisville.

Policy

The Governor's recommended budget includes \$1,000,000 in Restricted Funds in both fiscal year 2006-2007 and fiscal year 2007-2008 for tourism marketing and development on behalf of coal producing counties. The money originates from the calculations for the Local Government Economic Development Fund, Multi-county Fund.

**Commerce
Parks**

	Revised FY 2006	Requested FY 2007	Requested FY 2008	Recommended FY 2007	Recommended FY 2008
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	26,206,700	35,610,000	54,417,300	27,978,400	28,822,400
Salary Compensation Fund	1,962,800				
Total General Fund	28,169,500	35,610,000	54,417,300	27,978,400	28,822,400
Restricted Funds					
Balance Forward	774,800	251,800	286,400	876,700	144,500
Current Receipts	53,742,900	56,488,100	57,869,900	54,672,400	56,645,500
Non-Revenue Receipts	-350,600	-258,000	-1,576,500	-371,900	-393,700
Total Restricted Funds	54,167,100	56,481,900	56,579,800	55,177,200	56,396,300
Federal Funds					
Current Receipts	576,000				
Total Federal Funds	576,000				
TOTAL SOURCE OF FUNDS	82,912,600	92,091,900	110,997,100	83,155,600	85,218,700
EXPENDITURES BY CLASS					
Personnel Cost	52,287,400	59,763,800	62,866,000	53,851,900	55,058,500
Operating Expenses	28,900,500	31,220,800	31,569,900	28,887,200	28,983,500
Grants, Loans or Benefits	191,100	300,000	300,000	191,100	191,100
Debt Service			15,419,300		844,000
Capital Outlay	656,900	520,900	520,900	80,900	80,900
TOTAL EXPENDITURES	82,035,900	91,805,500	110,676,100	83,011,100	85,158,000
EXPENDITURES BY FUND SOURCE					
General Fund	28,169,500	35,610,000	54,417,300	27,978,400	28,822,400
Restricted Funds	53,290,400	56,195,500	56,258,800	55,032,700	56,335,600
Federal Funds	576,000				
TOTAL EXPENDITURES	82,035,900	91,805,500	110,676,100	83,011,100	85,158,000
EXPENDITURES BY UNIT					
General Administration and Support	10,494,300	12,110,500	12,541,300	10,128,600	10,403,800
Resort Parks	53,651,600	60,979,500	63,305,200	54,575,100	55,360,000
Recreation Parks and Historic Sites	15,844,000	16,183,500	16,813,100	16,209,500	16,428,300
Cafeterias	1,854,900	2,232,000	2,297,200	1,906,800	1,930,800
Debt Service			15,419,300		844,000
Breaks Interstate Park	191,100	300,000	300,000	191,100	191,100
TOTAL EXPENDITURES	82,035,900	91,805,500	110,676,100	83,011,100	85,158,000

The Department of Parks administers and operates the Kentucky State Park System under the authority of KRS Chapter 148. The Department strives to provide quality recreational facilities and to preserve and protect historically significant sites and natural phenomena in the Commonwealth of Kentucky.

The activities of the Department include the operation and maintenance of 17 resort parks, 24 recreational parks, 11 historic sites, one interstate park, and the three cafeterias in Frankfort.

Policy

Notwithstanding the provisions of KRS 148.800-810 or any other statute or provision of law to the contrary, the Governor's recommended budget permits the use of the Park Capital Maintenance and Renovation Fund for any ongoing cost of the Department of Parks. Specifically, \$1,238,000 in fiscal year 2006-2007 and \$1,238,000 in fiscal year 2007-2008 is included from this fund to support the ongoing operations of the State's park system. Should these amounts prove to be insufficient to support the continuation of other recommended programs of the Department, this account is available as an authorized source of funds to be used for any unanticipated Restricted Funds revenue shortfall and/or unanticipated expenditure upon approval of the State Budget Director and reporting to the Interim Joint Appropriations and Revenue Committee.

Included in the Governor's recommended budget is \$746,000 in General Funds in fiscal year 2008 for debt service on the Parks Renovation Pool project. Also included is \$98,000 General Funds in fiscal year 2008 for debt service for a convention center at E. P. Tom Sawyer state park. This debt service will support \$1 million in bonds to match a private donation of \$1 million.

**Commerce
Parks
General Administration and Support**

	Revised FY 2006	Requested FY 2007	Requested FY 2008	Recommended FY 2007	Recommended FY 2008
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	9,911,000	12,045,100	12,475,900	10,063,200	10,338,400
Total General Fund	9,911,000	12,045,100	12,475,900	10,063,200	10,338,400
Restricted Funds					
Balance Forward	5,600	109,900	144,500	109,900	44,500
Current Receipts	7,300				
Non-Revenue Receipts	104,300	100,000	100,000		20,900
Total Restricted Funds	117,200	209,900	244,500	109,900	65,400
Federal Funds					
Current Receipts	576,000				
Total Federal Funds	576,000				
TOTAL SOURCE OF FUNDS	10,604,200	12,255,000	12,720,400	10,173,100	10,403,800
EXPENDITURES BY CLASS					
Personnel Cost	7,757,100	8,852,400	9,280,000	7,980,700	8,159,600
Operating Expenses	2,161,200	2,918,100	2,921,300	2,147,900	2,244,200
Capital Outlay	576,000	340,000	340,000		
TOTAL EXPENDITURES	10,494,300	12,110,500	12,541,300	10,128,600	10,403,800
EXPENDITURES BY FUND SOURCE					
General Fund	9,911,000	12,045,100	12,475,900	10,063,200	10,338,400
Restricted Funds	7,300	65,400	65,400	65,400	65,400
Federal Funds	576,000				
TOTAL EXPENDITURES	10,494,300	12,110,500	12,541,300	10,128,600	10,403,800

The General Administration and Support program provides an organizational and administrative system which ensures that the park system's 52 operations are maintained and operated in an efficient manner.

Policy

Notwithstanding the provisions of KRS 148.800-810 or any other statute or provision of law to the contrary, the enacted budget includes the use of the Park Capital Maintenance and Renovation Fund for any ongoing cost of the Department of Parks.

**Commerce
Parks
Resort Parks**

	Revised FY 2006	Requested FY 2007	Requested FY 2008	Recommended FY 2007	Recommended FY 2008
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	8,983,400	15,768,900	18,094,600	10,755,100	10,755,100
Salary Compensation Fund	1,962,800				
Total General Fund	10,946,200	15,768,900	18,094,600	10,755,100	10,755,100
Restricted Funds					
Balance Forward	542,200	100,000	100,000	429,300	100,000
Current Receipts	43,428,800	45,383,300	46,701,800	44,210,500	46,025,700
Non-Revenue Receipts	-836,300	-172,700	-1,491,200	-719,800	-1,460,100
Total Restricted Funds	43,134,700	45,310,600	45,310,600	43,920,000	44,665,600
TOTAL SOURCE OF FUNDS	54,080,900	61,079,500	63,405,200	54,675,100	55,420,700
EXPENDITURES BY CLASS					
Personnel Cost	32,865,600	38,620,300	40,642,300	33,789,100	34,574,000
Operating Expenses	20,705,100	22,278,300	22,582,000	20,705,100	20,705,100
Capital Outlay	80,900	80,900	80,900	80,900	80,900
TOTAL EXPENDITURES	53,651,600	60,979,500	63,305,200	54,575,100	55,360,000
EXPENDITURES BY FUND SOURCE					
General Fund	10,946,200	15,768,900	18,094,600	10,755,100	10,755,100
Restricted Funds	42,705,400	45,210,600	45,210,600	43,820,000	44,604,900
TOTAL EXPENDITURES	53,651,600	60,979,500	63,305,200	54,575,100	55,360,000

The Resort Parks program encourages tourism and economic development in Kentucky by providing excellent overnight accommodations, quality food service, and recreational activities for visitors at the 17 resort parks. The resort parks and their locations are:

Barren River Resort Park - Barren County
Blue Licks Battlefield State Park – Robertson County
Buckhorn Lake Resort Park - Perry County
Carter Caves Resort Park - Carter County
Cumberland Falls Resort Park - Whitley County
Dale Hollow Resort Park - Cumberland and Clinton Counties
General Butler Resort Park - Carroll County
Greenbo Lake Resort Park - Greenup County
Jenny Wiley Resort Park - Floyd County

Kenlake Resort Park - Marshall County
Kentucky Dam Village Resort - Marshall County
Lake Barkley Resort Park - Trigg County
Lake Cumberland Resort Park - Russell County
Natural Bridge Resort Park - Powell County
Pennyrile Forest Resort Park - Christian County
Pine Mountain Resort Park - Bell County
Rough River Resort Park - Grayson County

The Department estimates that in fiscal year 2006, the resort parks will provide overnight accommodations for 620,000 guests and serve 1.6 million meals.

Policy

Notwithstanding the provisions of KRS 148.800-810 or any other statute or provision of law to the contrary, the Governor's recommended budget permits the use of the Park Capital Maintenance and Renovation Fund for any ongoing cost of the Department of Parks.

**Commerce
Parks
Recreation Parks and Historic Sites**

	Revised FY 2006	Requested FY 2007	Requested FY 2008	Recommended FY 2007	Recommended FY 2008
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	6,971,000	7,141,800	7,771,400	6,778,600	6,479,400
Total General Fund	6,971,000	7,141,800	7,771,400	6,778,600	6,479,400
Restricted Funds					
Balance Forward	207,200	21,900	21,900	332,100	
Current Receipts	8,616,500	9,227,000	9,227,000	8,771,600	8,929,500
Non-Revenue Receipts	381,400	-185,300	-185,300	327,200	1,019,400
Total Restricted Funds	9,205,100	9,063,600	9,063,600	9,430,900	9,948,900
TOTAL SOURCE OF FUNDS	16,176,100	16,205,400	16,835,000	16,209,500	16,428,300
EXPENDITURES BY CLASS					
Personnel Cost	10,764,100	11,109,800	11,697,200	11,129,600	11,348,400
Operating Expenses	5,079,900	5,013,700	5,055,900	5,079,900	5,079,900
Capital Outlay		60,000	60,000		
TOTAL EXPENDITURES	15,844,000	16,183,500	16,813,100	16,209,500	16,428,300
EXPENDITURES BY FUND SOURCE					
General Fund	6,971,000	7,141,800	7,771,400	6,778,600	6,479,400
Restricted Funds	8,873,000	9,041,700	9,041,700	9,430,900	9,948,900
TOTAL EXPENDITURES	15,844,000	16,183,500	16,813,100	16,209,500	16,428,300

The Recreation Parks and Historic Sites program encourages tourism and economic development in Kentucky by providing modern recreational and camping facilities and preserving significant scenic and historic landmarks, as well as operating museums and shrines. In fiscal year 2006, the camping areas are expected to attract approximately 300,000 visitors and museums are expected to host 305,000 visitors.

Recreation Park Facilities

Ben Hawes State Park - Daviess County	Kingdom Come State Park - Harlan County
Big Bone Lick State Park - Boone County	Lake Malone State Park - Muhlenberg County
Carr Creek State Park - Knott County	Levi Jackson Wilderness Road State Park - Laurel County
Columbus-Belmont Battlefield State Park - Hickman County	Lincoln Homestead State Park - Washington County
E. P. "Tom" Sawyer State Park - Jefferson County	Mineral Mound State Park - Lyon County
Fish Trap Lake State Park - Pike County	My Old Kentucky Home State Park - Nelson County
Fort Boonesborough State Park - Madison County	Nolin Lake State Park - Edmonson County
General Burnside State Park - Pulaski County	Old Fort Harrod State Park - Mercer County
Grayson Lake State Park - Elliott and Carter Counties	Paintsville Lake State Park - Johnson County
Green River Lake State Park - Taylor County	Pine Mountain Trail State Park - Harlan & Bell Counties
John James Audubon State Park - Henderson County	Taylorsville Lake State Park - Spencer County
Kincaid Lake State Park - Pendleton County	Yatesville Lake State Park - Lawrence County

Historic Sites

Boone Station - Fayette County	Old Mulkey Meeting House State Shrine - Monroe County
Constitution Square State Shrine - Boyle County	Perryville Battlefield State Shrine - Boyle County

Dr. Thomas Walker State Shrine - Knox County
Isaac Shelby State Shrine - Lincoln County
Jefferson Davis Monument State Shrine - Todd County

Waveland State Shrine - Fayette County
White Hall State Shrine - Madison County
Wickliffe Mounds State Historic Site - Ballard County
William Whitley House State Shrine - Lincoln County

Policy

Notwithstanding the provisions of KRS 148.800-810 or any other statute or provision of law to the contrary, the Governor's recommended budget permits the use of the Park Capital Maintenance and Renovation Fund for any ongoing cost of the Department of Parks.

**Commerce
Parks
Cafeterias**

	Revised FY 2006	Requested FY 2007	Requested FY 2008	Recommended FY 2007	Recommended FY 2008
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	150,200	354,200	356,100	190,400	214,400
Total General Fund	150,200	354,200	356,100	190,400	214,400
Restricted Funds					
Balance Forward	19,800	20,000	20,000	5,400	
Current Receipts	1,690,300	1,877,800	1,941,100	1,690,300	1,690,300
Non-Revenue Receipts				20,700	26,100
Total Restricted Funds	1,710,100	1,897,800	1,961,100	1,716,400	1,716,400
TOTAL SOURCE OF FUNDS	1,860,300	2,252,000	2,317,200	1,906,800	1,930,800
EXPENDITURES BY CLASS					
Personnel Cost	900,600	1,181,300	1,246,500	952,500	976,500
Operating Expenses	954,300	1,010,700	1,010,700	954,300	954,300
Capital Outlay		40,000	40,000		
TOTAL EXPENDITURES	1,854,900	2,232,000	2,297,200	1,906,800	1,930,800
EXPENDITURES BY FUND SOURCE					
General Fund	150,200	354,200	356,100	190,400	214,400
Restricted Funds	1,704,700	1,877,800	1,941,100	1,716,400	1,716,400
TOTAL EXPENDITURES	1,854,900	2,232,000	2,297,200	1,906,800	1,930,800

The Cafeteria program provides food service in the Capitol Annex, Transportation building, and the Health and Family Services building for members of the General Assembly, state employees, and visitors to the state offices in Frankfort. The cafeterias also provide catering service for special local events. The cafeterias generated sales of approximately \$1,136,000 in fiscal year 2004-2005.

**Commerce
Parks
Debt Service**

	Revised FY 2006	Requested FY 2007	Requested FY 2008	Recommended FY 2007	Recommended FY 2008
SOURCE OF FUNDS					
General Fund					
Regular Appropriation			15,419,300		844,000
Total General Fund			15,419,300		844,000
TOTAL SOURCE OF FUNDS			15,419,300		844,000
EXPENDITURES BY CLASS					
Debt Service			15,419,300		844,000
TOTAL EXPENDITURES			15,419,300		844,000
EXPENDITURES BY FUND SOURCE					
General Fund			15,419,300		844,000
TOTAL EXPENDITURES			15,419,300		844,000

All currently authorized General Fund debt service costs are budgeted in the Finance and Administration Cabinet in the 2006-2008 biennium.

Policy

Included in the Governor's recommended budget is \$746,000 in General Funds in fiscal year 2008 for debt service on the Parks Renovation Pool project. Also included is \$98,000 General Funds in fiscal year 2008 for debt service for a convention center at E. P. Tom Sawyer state park. This debt service will support \$1 million in bonds to match a private donation of \$1 million.

**Commerce
Parks
Breaks Interstate Park**

	Revised FY 2006	Requested FY 2007	Requested FY 2008	Recommended FY 2007	Recommended FY 2008
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	191,100	300,000	300,000	191,100	191,100
Total General Fund	191,100	300,000	300,000	191,100	191,100
TOTAL SOURCE OF FUNDS	191,100	300,000	300,000	191,100	191,100
EXPENDITURES BY CLASS					
Grants, Loans or Benefits	191,100	300,000	300,000	191,100	191,100
TOTAL EXPENDITURES	191,100	300,000	300,000	191,100	191,100
EXPENDITURES BY FUND SOURCE					
General Fund	191,100	300,000	300,000	191,100	191,100
TOTAL EXPENDITURES	191,100	300,000	300,000	191,100	191,100

The Breaks Interstate Park, created by KRS 148.220 in 1954 by joint action of the Kentucky and Virginia legislatures, is governed by the Breaks Interstate Park Commission. The Commission is composed of three members from each state appointed by their respective governors. Kentucky provides financial support for the park in the form of a grant to the Commission.

The park, which contains 4,500 acres of woodlands, mountains, and the largest canyon east of the Mississippi River, attracts approximately 380,000 visitors each year. Breaks Interstate Park provides recreation for the people of Kentucky and Virginia in an area where recreational opportunities are limited.

**Commerce
Horse Park Commission**

	Revised FY 2006	Requested FY 2007	Requested FY 2008	Recommended FY 2007	Recommended FY 2008
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	1,621,200	3,272,100	7,309,500	1,708,200	4,878,200
Total General Fund	1,621,200	3,272,100	7,309,500	1,708,200	4,878,200
Restricted Funds					
Balance Forward	394,600	394,600	394,600	353,800	180,500
Current Receipts	6,556,200	6,449,700	6,449,700	6,449,700	6,449,700
Non-Revenue Receipts	-490,200	-383,700	-383,700	-383,700	-383,700
Fund Transfers	-40,800				
Total Restricted Funds	6,419,800	6,460,600	6,460,600	6,419,800	6,246,500
TOTAL SOURCE OF FUNDS	8,041,000	9,732,700	13,770,100	8,128,000	11,124,700
EXPENDITURES BY CLASS					
Personnel Cost	4,622,900	5,608,000	5,896,500	4,776,000	4,783,200
Operating Expenses	3,034,400	3,635,200	3,613,100	3,141,600	3,068,600
Debt Service			3,759,000		3,243,000
Capital Outlay	29,900	94,900	106,900	29,900	29,900
TOTAL EXPENDITURES	7,687,200	9,338,100	13,375,500	7,947,500	11,124,700
EXPENDITURES BY FUND SOURCE					
General Fund	1,621,200	3,272,100	7,309,500	1,708,200	4,878,200
Restricted Funds	6,066,000	6,066,000	6,066,000	6,239,300	6,246,500
TOTAL EXPENDITURES	7,687,200	9,338,100	13,375,500	7,947,500	11,124,700

The Kentucky Horse Park (KRS 148.250) is comprised of 1,224 acres on which are situated over 110 structures, 34 miles of fencing and 260 campsites. Horse Park programs consist primarily of four main functions:

Equine Theme Park-The central area of the park contains tourist activities that include the Visitor Information Center, International Museum of the Horse, gift shop, restaurant, Parade of Breeds and Hall of Champions shows, horseback riding, horse drawn tours, and other activities. Approximately 160,000 people visit annually generating \$3.5 million in revenue.

Events-The Horse Park is the host venue for both equine and non-equine special events. Horse shows are central to the mission of the park and comprise the majority of special event activities. Sixty annual equine events utilize 21 pole barns (1,086 stalls), a 1,200 seat covered arena, show office complex, six hunter-jumper rings, four dressage rings, a 7,800-yard cross country course, steeplechase course, and other ancillary structures. In 2004, horse events attracted approximately 384,000 people and \$1.3 million in revenue. The park also hosts non-equine events that include soccer, high school cross country, dog shows, "Old Kentucky Nights" evening programs, "Southern Lights" holiday lights show, and many other events.

Campground-The popular campground is made up of 260 campsites with water/electric hookups, grocery store, two bathhouses, pool, tennis courts, playground, and covered pavilion. Each year 102,000 people camp at the Horse Park, generating more than \$1,115,000 in direct income annually.

National Horse Center-Another area of remarkable growth has been the National Horse Center (NHC), a collection of the nation's and the state's leading equestrian organizations. The NHC now includes 24 distinct organizations contained in nine office buildings. The NHC has solidified the Horse Park's key role in making Kentucky truly the "Horse Capital of the World."

Policy

The Governor's recommended budget includes \$3,243,000 in General Fund in fiscal year 2007-2008 for debt service for the construction of a new indoor arena. This arena was an essential element in Kentucky being awarded the World Equestrian Games in 2010.

The Governor's recommended budget also includes \$87,000 in General Fund in fiscal year 2006-2007 and \$14,000 in General Fund in fiscal year 2007-2008 for increased travel expenses associated with the Kentucky Horse Park being awarded the World Equestrian Games in 2010.

The Governor's recommended budget also includes \$2.3 million in Road Fund in the Transportation Cabinet's capital budget for new roads and road repair at the Kentucky Horse Park in preparation for the World Equestrian Games in 2010. It is anticipated that another \$2 million will be needed next biennium.

**Commerce
State Fair Board**

	Revised FY 2006	Requested FY 2007	Requested FY 2008	Recommended FY 2007	Recommended FY 2008
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	396,800	18,423,800	18,423,800	396,800	511,800
Total General Fund	396,800	18,423,800	18,423,800	396,800	511,800
Restricted Funds					
Balance Forward	2,038,200	1,745,000	862,400	1,745,000	1,722,300
Current Receipts	37,915,100	38,535,900	41,163,300	38,535,900	41,163,300
Non-Revenue Receipts	-1,803,800	-1,000,000	-1,000,000	-1,500,000	-4,400,000
Fund Transfers	-234,000				
Total Restricted Funds	37,915,500	39,280,900	41,025,700	38,780,900	38,485,600
TOTAL SOURCE OF FUNDS	38,312,300	57,704,700	59,449,500	39,177,700	38,997,400
EXPENDITURES BY CLASS					
Personnel Cost	19,244,700	21,187,900	22,032,600	19,953,000	20,535,500
Operating Expenses	11,439,700	11,435,800	11,454,800	11,435,800	11,454,800
Grants, Loans or Benefits	1,620,000	1,610,000	1,611,400	1,610,000	1,611,400
Debt Service	4,012,900	22,474,100	22,471,900	4,322,100	4,539,400
Capital Outlay	250,000	134,500	192,600	134,500	192,600
TOTAL EXPENDITURES	36,567,300	56,842,300	57,763,300	37,455,400	38,333,700
EXPENDITURES BY FUND SOURCE					
General Fund	396,800	18,423,800	18,423,800	396,800	511,800
Restricted Funds	36,170,500	38,418,500	39,339,500	37,058,600	37,821,900
TOTAL EXPENDITURES	36,567,300	56,842,300	57,763,300	37,455,400	38,333,700
EXPENDITURES BY UNIT					
Kentucky Fair and Exposition Center	27,904,800	29,445,600	30,196,600	28,443,900	28,983,300
Kentucky International Convention Center	4,649,600	4,922,600	5,094,800	4,689,400	4,811,000
Debt Service	4,012,900	22,474,100	22,471,900	4,322,100	4,539,400
TOTAL EXPENDITURES	36,567,300	56,842,300	57,763,300	37,455,400	38,333,700

The Kentucky State Fair Board authorized in KRS 247 is composed of 15 members: the Governor, the Commissioner of Agriculture, the Dean of the College of Agriculture at the University of Kentucky, and 12 members, all which are appointed by the Governor. Five of the 12 members appointed by the Governor are selected from nominations by the Kentucky Association of Fairs and Horse Shows, the Kentucky Livestock Improvement Association, the Kentucky State National Farmers Organization, the American Saddle Horse Breeders Association, and the Kentucky Farm Bureau Federation. The Board manages and administers the funds, buildings, grounds, and equipment of the Kentucky Fair and Exposition Center and the Kentucky International Convention Center in Louisville. A president is appointed by the Board to manage the centers.

Policy

The Governor's recommended budget includes \$115,000 in General Fund in fiscal year 2007-2008 for debt service for the Pavilion Roof project.

**Commerce
State Fair Board
Kentucky Fair and Exposition Center**

	Revised FY 2006	Requested FY 2007	Requested FY 2008	Recommended FY 2007	Recommended FY 2008
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	396,800	396,800	396,800	396,800	396,800
Total General Fund	396,800	396,800	396,800	396,800	396,800
Restricted Funds					
Balance Forward	1,426,200	1,706,600	269,800	1,706,600	896,500
Current Receipts	33,039,100	32,759,100	34,680,600	32,759,100	34,680,600
Non-Revenue Receipts	-5,250,700	-5,147,100	-5,144,900	-5,522,100	-6,524,400
Total Restricted Funds	29,214,600	29,318,600	29,805,500	28,943,600	29,052,700
TOTAL SOURCE OF FUNDS	29,611,400	29,715,400	30,202,300	29,340,400	29,449,500
EXPENDITURES BY CLASS					
Personnel Cost	16,383,600	17,967,100	18,642,200	16,965,400	17,428,900
Operating Expenses	9,796,200	9,756,700	9,773,100	9,756,700	9,773,100
Grants, Loans or Benefits	1,565,000	1,610,000	1,611,400	1,610,000	1,611,400
Capital Outlay	160,000	111,800	169,900	111,800	169,900
TOTAL EXPENDITURES	27,904,800	29,445,600	30,196,600	28,443,900	28,983,300
EXPENDITURES BY FUND SOURCE					
General Fund	396,800	396,800	396,800	396,800	396,800
Restricted Funds	27,508,000	29,048,800	29,799,800	28,047,100	28,586,500
TOTAL EXPENDITURES	27,904,800	29,445,600	30,196,600	28,443,900	28,983,300

The Kentucky Fair and Exposition Center provides facilities and services for conventions, trade shows, agricultural activities, athletic events, concerts, and cultural and commercial productions year-round. At this site, the State Fair Board produces its three major expositions during the year: the Kentucky State Fair, the National Farm Machinery Show, and the North American International Livestock Exposition.

The Kentucky Fair and Exposition Center is a completely air-conditioned complex that includes one million square feet of exhibit and meeting space at ground level. It includes the 19,000-seat Freedom Hall Coliseum, identical East and West Exhibit Halls, East and West Exposition Wings, the South Wing Exposition Facility and Conference Center, a smaller exposition pavilion, a 600-seat amphitheater, a 5,000-seat Livestock and Horse Show Arena, and a 37,000-seat stadium. Also serving the Kentucky Fair and Exposition Center are the adjacent Executive Inn East, Executive Inn West, Executive Bowl, and the Kentucky Kingdom Amusement Park, all of which are long-term lessees of the State Fair Board. An expansion of the South Wing, approved by the 2003 General Assembly recently opened.

Policy

The Governor's recommended budget includes \$396,800 from the General Fund each year of the biennium for the North American International Livestock Exposition program.

**Commerce
State Fair Board
Kentucky International Convention Center**

	Revised FY 2006	Requested FY 2007	Requested FY 2008	Recommended FY 2007	Recommended FY 2008
SOURCE OF FUNDS					
Restricted Funds					
Balance Forward	612,000	38,400	592,600	38,400	825,800
Current Receipts	4,876,000	5,776,800	6,482,700	5,776,800	6,482,700
Non-Revenue Receipts	-800,000	-300,000	-300,000	-300,000	-2,300,000
Total Restricted Funds	4,688,000	5,515,200	6,775,300	5,515,200	5,008,500
TOTAL SOURCE OF FUNDS	4,688,000	5,515,200	6,775,300	5,515,200	5,008,500
EXPENDITURES BY CLASS					
Personnel Cost	2,861,100	3,220,800	3,390,400	2,987,600	3,106,600
Operating Expenses	1,643,500	1,679,100	1,681,700	1,679,100	1,681,700
Grants, Loans or Benefits	55,000				
Capital Outlay	90,000	22,700	22,700	22,700	22,700
TOTAL EXPENDITURES	4,649,600	4,922,600	5,094,800	4,689,400	4,811,000
EXPENDITURES BY FUND SOURCE					
Restricted Funds	4,649,600	4,922,600	5,094,800	4,689,400	4,811,000
TOTAL EXPENDITURES	4,649,600	4,922,600	5,094,800	4,689,400	4,811,000

The Kentucky International Convention Center provides facilities and services for intermediate-sized conventions, trade shows, association events, concerts, and cultural and commercial productions year-round. This facility is an integral and interdependent part of the overall redevelopment of downtown Louisville by both government and private enterprises.

The Center includes approximately 200,000 square feet of exhibit space, a 30,000 square foot ballroom, and nearly 70,000 square feet of meeting space along both sides of Third Street. The exhibit and meeting areas are linked by public concourses spanning Third Street.

The Center is served by the Hyatt and Cowger Parking Garages, which provide 1,300 enclosed parking spaces, and by the Hyatt Regency Hotel, which is a long-term lessee of the Board. The Cowger Garage also includes commercial space which is leased on a long-term basis.

**Commerce
State Fair Board
Debt Service**

	Revised FY 2006	Requested FY 2007	Requested FY 2008	Recommended FY 2007	Recommended FY 2008
SOURCE OF FUNDS					
General Fund					
Regular Appropriation		18,027,000	18,027,000		115,000
Total General Fund		18,027,000	18,027,000		115,000
Restricted Funds					
Non-Revenue Receipts	4,246,900	4,447,100	4,444,900	4,322,100	4,424,400
Fund Transfers	-234,000				
Total Restricted Funds	4,012,900	4,447,100	4,444,900	4,322,100	4,424,400
TOTAL SOURCE OF FUNDS	4,012,900	22,474,100	22,471,900	4,322,100	4,539,400
EXPENDITURES BY CLASS					
Debt Service	4,012,900	22,474,100	22,471,900	4,322,100	4,539,400
TOTAL EXPENDITURES	4,012,900	22,474,100	22,471,900	4,322,100	4,539,400
EXPENDITURES BY FUND SOURCE					
General Fund		18,027,000	18,027,000		115,000
Restricted Funds	4,012,900	4,447,100	4,444,900	4,322,100	4,424,400
TOTAL EXPENDITURES	4,012,900	22,474,100	22,471,900	4,322,100	4,539,400

The Debt Service program is responsible for the annual debt service payments on Fair Board bonds issued by the State Property and Buildings Commission.

Restricted funds in the amount of \$4,322,100 in fiscal year 2007 and \$4,424,400 in fiscal year 2008 are included for State Property and Building Commission Projects 81 and 86 debt service payments. Projects 81 and 86 provided funding for an expansion of South Wing C and East Wing Hall.

All previously authorized General Fund debt service costs are budgeted in the Finance and Administration Cabinet in the 2006-2008 biennium.

Policy

The Governor's recommended budget includes \$115,000 in General Fund in fiscal year 2007-2008 for debt service for the Pavilion Roof project.

Commerce
Fish and Wildlife Resources

	Revised FY 2006	Requested FY 2007	Requested FY 2008	Recommended FY 2007	Recommended FY 2008
SOURCE OF FUNDS					
Restricted Funds					
Balance Forward	35,951,500	34,943,900	30,872,800	34,943,900	34,058,600
Current Receipts	33,534,100	37,013,200	38,709,100	37,013,200	38,709,100
Non-Revenue Receipts	-6,100,000	-9,120,000	-9,700,000	-9,120,000	-9,700,000
Total Restricted Funds	63,385,600	62,837,100	59,881,900	62,837,100	63,067,700
Federal Funds					
Balance Forward	4,475,600	3,449,900	2,317,200	3,449,900	3,332,600
Current Receipts	9,838,300	9,946,600	10,172,000	9,946,600	10,172,000
Total Federal Funds	14,313,900	13,396,500	12,489,200	13,396,500	13,504,600
TOTAL SOURCE OF FUNDS	77,699,500	76,233,600	72,371,100	76,233,600	76,572,300
EXPENDITURES BY CLASS					
Personnel Cost	29,982,600	33,326,000	35,168,300	29,124,800	30,179,400
Operating Expenses	7,191,700	7,606,200	7,617,300	7,606,200	7,617,300
Grants, Loans or Benefits	407,500	407,500	407,500	407,500	407,500
Capital Outlay	1,723,900	1,703,900	1,703,900	1,703,900	1,703,900
TOTAL EXPENDITURES	39,305,700	43,043,600	44,897,000	38,842,400	39,908,100
EXPENDITURES BY FUND SOURCE					
Restricted Funds	28,441,700	31,964,300	33,436,600	28,778,500	29,810,000
Federal Funds	10,864,000	11,079,300	11,460,400	10,063,900	10,098,100
TOTAL EXPENDITURES	39,305,700	43,043,600	44,897,000	38,842,400	39,908,100
EXPENDITURES BY UNIT					
Administration and Support	5,251,200	5,981,300	6,250,000	4,796,200	5,237,500
Wildlife Management	10,219,000	11,298,900	11,740,000	10,632,400	10,798,800
Fisheries Management	6,157,900	6,729,000	7,005,000	6,329,500	6,446,700
Information and Education	5,660,000	6,228,200	6,485,800	5,532,500	5,612,000
Law Enforcement	12,017,600	12,806,200	13,416,200	11,551,800	11,813,100
TOTAL EXPENDITURES	39,305,700	43,043,600	44,897,000	38,842,400	39,908,100

The Department of Fish and Wildlife Resources, established by KRS Chapter 150, is responsible for the protection and improvement of fish and wildlife resources in Kentucky. The Department is headed by a Commissioner appointed by the Fish and Wildlife Commission. The Commission, which is responsible for Department policy, is a nine member bipartisan body appointed by the Governor from a list of candidates provided by sportsmen's organizations in each of nine districts.

Financial support of the Department is derived from the sale of hunting and fishing licenses, federal grants, interest income, fines and penalties assessed by the courts for violation of game and fish laws, and numerous other miscellaneous receipts.

Currently, the Department owns approximately 120,000 acres of land in Kentucky which are used to further its program activities. This acreage includes the State Game Farm, 80 major wildlife management areas, two warm water hatcheries, and three summer camps. An additional 712,355 acres of land and water are under lease or license by the Department for wildlife management activities. The Daniel Boone National Forest provides an additional 600,000 acres of land for public use.

The Department consists of 5 program areas: Administration and Support, Wildlife Management, Fisheries Management, Information and Education, and Law Enforcement.

Three separate Divisions are included in the Administration and Support program area. The Division of Administration and Support manages the day-to-day operations of the Department including maintaining accounting records, ensuring proper purchasing and inventory procedures are followed, and administering hunting and fishing license sales and revenue collections. The Public Affairs Division facilitates public involvement in departmental policy and regulations. The Engineering Division provides the labor and technical engineering services required for the Department's small construction projects. Duties include building small bridges, buildings, boat ramps, and roads. In addition, Engineering is responsible for surveying all property owned or being purchased by the Department.

The Wildlife Management program manages, develops, and maintains statewide game and non-game populations consistent with habitat capacity on state owned lands, licensed wildlife management areas, and privately owned lands. Additionally, Wildlife Management conducts statewide surveys to determine the relative abundance of game and non-game wildlife, formulates hunting regulations based upon biological data and recreational demands, restores viable native wildlife species by restocking in suitable habitat, and evaluates the impact of land, water resource, and other construction projects on wildlife resources. Technical guidance is provided to private landowners for improvement of wildlife habitat conditions. A fish and wildlife electronic information system is being developed for use by state agencies that include geographic information such as land types, vegetation conditions, and wildlife populations.

The Fisheries Management program manages Kentucky's fishery resources to provide optimum fishing opportunities for anglers through research, surveys, fish stocking, regulation, and technical biological guidance. Fishery biologists manage and develop fish populations and their associated habitats in major impoundments, streams, rivers, and 100,000 acres of small lakes and ponds. In addition, technical guidance is provided to private pond owners. Research biologists provide support to management through evaluation of stocking and regulatory practices.

The Information and Education program teaches Kentuckians to safely enjoy the recreational opportunities provided by Fish and Wildlife Resources and to create an appreciation and understanding of the need to conserve these resources.

The Law Enforcement program enforces fish, wildlife, and boating laws. Officers assist other federal, state, and local agencies in enforcement of all criminal laws in the Commonwealth. Officers also provide assistance to the public during times of natural disasters such as floods, forest fires, and severe winter weather.

**Commerce
Historical Society**

	Revised FY 2006	Requested FY 2007	Requested FY 2008	Recommended FY 2007	Recommended FY 2008
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	6,041,800	11,993,600	12,536,300	6,762,800	6,013,500
Salary Compensation Fund	140,100				
Base Deduction	-180,800				
Total General Fund	6,001,100	11,993,600	12,536,300	6,762,800	6,013,500
Restricted Funds					
Balance Forward	261,900	133,400	157,100	71,200	49,100
Current Receipts	593,800	756,800	784,500	738,800	770,500
Fund Transfers	-120,000				
Total Restricted Funds	735,700	890,200	941,600	810,000	819,600
Federal Funds					
Balance Forward	3,600	3,600		3,600	
Current Receipts	1,225,000	1,000,600	516,800	890,000	390,000
Total Federal Funds	1,228,600	1,004,200	516,800	893,600	390,000
TOTAL SOURCE OF FUNDS	7,965,400	13,888,000	13,994,700	8,466,400	7,223,100
EXPENDITURES BY CLASS					
Personnel Cost	3,754,300	4,589,700	4,867,400	3,780,900	3,825,800
Operating Expenses	3,190,900	3,999,800	4,305,000	3,026,400	2,997,300
Grants, Loans or Benefits	945,400	5,141,400	4,617,000	1,610,000	400,000
TOTAL EXPENDITURES	7,890,600	13,730,900	13,789,400	8,417,300	7,223,100
EXPENDITURES BY FUND SOURCE					
General Fund	6,001,100	11,993,600	12,536,300	6,762,800	6,013,500
Restricted Funds	664,500	733,100	736,300	760,900	819,600
Federal Funds	1,225,000	1,004,200	516,800	893,600	390,000
TOTAL EXPENDITURES	7,890,600	13,730,900	13,789,400	8,417,300	7,223,100
EXPENDITURES BY UNIT					
Oral History and Educational Outreach	1,671,600	6,361,900	6,208,600	2,205,700	977,300
Research and Publications	164,500	207,800	207,800	163,800	163,800
Museums	190,100	362,800	371,400	202,100	202,300
Administration	5,864,400	6,798,400	7,001,600	5,845,700	5,879,700
TOTAL EXPENDITURES	7,890,600	13,730,900	13,789,400	8,417,300	7,223,100

The Kentucky Historical Society (KHS) engages people in the exploration of the Commonwealth's diverse heritage. Through comprehensive and innovative services, interpretive programs, and stewardship, it provides connections to the past, perspective on the present, and inspiration for the future. Among the agency's significant accomplishments during the current biennium are:

- National accreditation by the American Association of Museums (KHS is one of only five Kentucky institutions to possess this status),
- Public launching of the Society's Digital Collections Catalog which allows researchers remote Internet-based access to the Society's collections, and

- Creation of the Civil Rights Movement in Kentucky on-line database which provides access to thousands of hours of oral history and video documentation.

The Kentucky Historical Society's statutory mandate, pursuant to KRS 171.311, is to collect and preserve for future generations materials and information regarding Kentucky's past; to disseminate knowledge and understanding of the state's history; and to produce for people of all backgrounds an increased awareness of, and appreciation for, the Commonwealth and its heritage. The agency operates four divisions: Administration, Research and Publications, Museums, and Oral History and Educational Outreach.

Since 1999, the Society and its three facilities - the Thomas D. Clark Center for Kentucky History (the "History Center"), the Old State Capitol, and the Kentucky Military History Museum - have hosted over 1,000,000 visitors. Approximately 30,000 students who visit in organized school groups tour the Society's museums annually. The agency offers access to research collections through on-line databases and an electronic library catalog.

The Administration Division provides overall agency direction, planning, and management. It has two branches: Institutional Advancement (IA) and Support Services. Institutional Advancement raises private sector support for projects and services that do not receive state support. Units within the IA Branch include: development, special events, membership, gift shop, facilities rental, marketing/public relations, and website management. Support Services Branch includes technology, personnel, telecommunications, facilities management, and fiscal operations.

The Research and Publications Division has three branches: Publications, Research Library, and Special Collections. Publications Division produces three periodicals and numerous book-length works on Kentucky history subjects. The Thomas D. Clark Research Library, housed in the History Center, possesses over 100,000 volumes of Kentucky family history materials and serves over 30,000 research requests annually. Special Collections consists of maps, photographs, manuscripts, and rare books. Considerable resources have been invested in digitizing research materials for on-line public access. A digitizing unit within the Special Collections Branch creates electronic copies of fragile historic materials to permit Internet access to research collections and to preserve them.

The Museum Division operates the History Center's museum (a 20,000 square-foot permanent exhibition and a 4,000 square-foot temporary exhibition gallery), the Old State Capitol, and the Kentucky Military History Museum. Six sub-units compose the Museum Division: education, visitor services, traveling exhibitions, exhibit design, artifact collections, and military history.

The Oral History and Educational Outreach Division includes the Kentucky Oral History Commission, the Kentucky Folklife program, and the Local History Branch. The Local History Branch includes the Kentucky Junior Historical Society, the Governors' Gravesite Grants program, Local History Grants, Education Grants, and Kentucky Historic Highway Markers program. The Division provides Kentucky communities' historic organizations and museums with technical support and limited grant funds, and promotes history education in Kentucky's schools.

Policy

Included in the Executive Budget is \$750,000 General Fund support in fiscal year 2007 to provide a grant for the Abraham Lincoln Bicentennial Commission. The Commission is working cooperatively with the United States Abraham Lincoln Bicentennial Commission and the Tri-State Lincoln Task Force to commemorate Kentucky's role in the life of President Lincoln through various local and regional planning, historic site infrastructure and interpretation, and quality educational activities.

**Commerce
Arts Council**

	Revised FY 2006	Requested FY 2007	Requested FY 2008	Recommended FY 2007	Recommended FY 2008
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	4,210,900	5,458,300	5,532,100	4,668,400	4,049,500
Salary Compensation Fund	48,300				
Base Deduction	-132,500				
Total General Fund	4,126,700	5,458,300	5,532,100	4,668,400	4,049,500
Restricted Funds					
Balance Forward	188,600	211,600	128,800	141,700	109,800
Current Receipts	412,000	450,000	534,800	410,000	424,800
Fund Transfers	-20,000				
Total Restricted Funds	580,600	661,600	663,600	551,700	534,600
Federal Funds					
Balance Forward	226,400	33,652	19,152	105,900	46,500
Current Receipts	657,300	685,500	693,700	685,500	693,700
Total Federal Funds	883,700	719,152	712,852	791,400	740,200
TOTAL SOURCE OF FUNDS	5,591,000	6,839,052	6,908,552	6,011,500	5,324,300
EXPENDITURES BY CLASS					
Personnel Cost	1,113,500	1,363,700	1,437,500	1,057,500	1,063,800
Operating Expenses	806,700	908,200	908,200	780,300	779,200
Grants, Loans or Benefits	3,423,200	4,419,200	4,399,150	4,017,400	3,399,200
TOTAL EXPENDITURES	5,343,400	6,691,100	6,744,850	5,855,200	5,242,200
EXPENDITURES BY FUND SOURCE					
General Fund	4,126,700	5,458,300	5,532,100	4,668,400	4,049,500
Restricted Funds	438,900	532,800	499,900	441,900	452,700
Federal Funds	777,800	700,000	712,850	744,900	740,000
TOTAL EXPENDITURES	5,343,400	6,691,100	6,744,850	5,855,200	5,242,200
EXPENDITURES BY UNIT					
Arts Council	4,532,600	5,749,200	5,773,650	5,043,900	4,423,000
Craft Marketing	810,800	941,900	971,200	811,300	819,200
TOTAL EXPENDITURES	5,343,400	6,691,100	6,744,850	5,855,200	5,242,200

The Kentucky Arts Council is authorized under KRS 153.210-235. The Council develops and promotes a state policy of support for the arts in Kentucky.

The Kentucky Arts Council supports, through grants and technical assistance, Kentucky arts organizations, schools, non-profit community organizations, local arts councils, local government agencies, individual artists, and craftspersons. These organizations and individuals contribute significantly to the economy, education, and quality of life in Kentucky. The Council also oversees at the local level the services necessary to implement the Kentucky Arts Council mission and plan, the Kentucky Education Reform Act, and Kentucky's Strategic Plan for Economic Development.

The Council's major programs are: Arts and Cultural Organizational Support, Community Arts Development, Arts in Education, Craft Marketing, Individual Artists Recognition and Support, Folk and Traditional Arts Support, Arts Directories, and Honor programs.

Policy

The Governor's recommended budget includes \$600,000 General Fund in fiscal year 2007 to provide a grant for the support of the Partnership of Creative Economies in order to stabilize the cornerstone arts organizations of Kentucky. Through a public-private partnership, the Partnership of Creative Economies enables the security and progress of the Metro Louisville arts and cultural institutions, artists, art and educational organizations.

**Commerce
Heritage Council**

	Revised FY 2006	Requested FY 2007	Requested FY 2008	Recommended FY 2007	Recommended FY 2008
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	933,700	1,961,700	2,007,500	900,000	900,000
Salary Compensation Fund	32,800				
Base Deduction	-66,500				
Total General Fund	900,000	1,961,700	2,007,500	900,000	900,000
Restricted Funds					
Balance Forward	36,100			66,600	132,400
Current Receipts	855,600	535,100	506,900	535,100	506,900
Total Restricted Funds	891,700	535,100	506,900	601,700	639,300
Federal Funds					
Current Receipts	669,000	669,000	669,000	669,000	669,000
Total Federal Funds	669,000	669,000	669,000	669,000	669,000
TOTAL SOURCE OF FUNDS	2,460,700	3,165,800	3,183,400	2,170,700	2,208,300
EXPENDITURES BY CLASS					
Personnel Cost	1,314,200	1,633,700	1,729,000	1,364,100	1,383,300
Operating Expenses	958,900	688,400	610,700	608,500	607,100
Grants, Loans or Benefits	121,000	843,700	843,700	65,700	65,700
TOTAL EXPENDITURES	2,394,100	3,165,800	3,183,400	2,038,300	2,056,100
EXPENDITURES BY FUND SOURCE					
General Fund	900,000	1,961,700	2,007,500	900,000	900,000
Restricted Funds	825,100	535,100	506,900	469,300	487,100
Federal Funds	669,000	669,000	669,000	669,000	669,000
TOTAL EXPENDITURES	2,394,100	3,165,800	3,183,400	2,038,300	2,056,100

The Kentucky Heritage Council, the State Historic Preservation Office, administers a comprehensive state historic preservation program including site identification and evaluation, site development and site protection.

The Council administers national historic preservation activities in Kentucky, distributes Federal Funds, offers services on all aspects of historic preservation and provides technical assistance to local governments, the public, and other agencies.

Major program activities include the survey of statewide historic sites, nominating sites to the National Register of Historic Places, administering the Kentucky Main Street program in partnership with Renaissance on Main, overseeing federal and state investment tax credit programs, and a Restoration Grants program.

Attached to the Heritage Council for administration and programmatic services are the African American Heritage Commission, Native American Heritage Commission, Military Heritage Commission, and the Kentucky Historic Preservation Review Board. The Kentucky Heritage Council is administered in accordance with KRS 171.380.

Policy

Included in the above Restricted Fund appropriation is \$20,000 in fiscal years 2006 and 2007 for the planning and implementation of the 2006 Kentucky Historic Preservation Conference held in northern Kentucky.

Additional Restricted Fund resources of \$250,000 in fiscal year 2006 are designated for the coordination of a feasibility study and restoration plans and specifications for the National Register-Eligible, West Prestonsburg Concrete Arch Bridge funded through a memorandum of agreement with the Kentucky Transportation Cabinet.

Commerce
Kentucky Center for the Arts

	Revised FY 2006	Requested FY 2007	Requested FY 2008	Recommended FY 2007	Recommended FY 2008
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	1,724,000	2,130,000	2,659,700	1,114,400	1,114,400
Total General Fund	1,724,000	2,130,000	2,659,700	1,114,400	1,114,400
TOTAL SOURCE OF FUNDS	1,724,000	2,130,000	2,659,700	1,114,400	1,114,400
EXPENDITURES BY CLASS					
Personnel Cost	53,700	131,700	138,400	131,700	131,700
Operating Expenses	496,300	1,046,300	1,046,300	496,300	496,300
Grants, Loans or Benefits	414,000	952,000	1,475,000	486,400	486,400
Construction	760,000				
TOTAL EXPENDITURES	1,724,000	2,130,000	2,659,700	1,114,400	1,114,400
EXPENDITURES BY FUND SOURCE					
General Fund	1,724,000	2,130,000	2,659,700	1,114,400	1,114,400
TOTAL EXPENDITURES	1,724,000	2,130,000	2,659,700	1,114,400	1,114,400
EXPENDITURES BY UNIT					
Kentucky Center for the Arts	1,310,000	1,328,000	1,384,700	628,000	628,000
Governor's School for the Arts	414,000	802,000	1,275,000	486,400	486,400
TOTAL EXPENDITURES	1,724,000	2,130,000	2,659,700	1,114,400	1,114,400

Kentucky Center for the Arts ("The Kentucky Center") is the Commonwealth's premier performing arts center. Over 400,000 people attend events at The Kentucky Center each year. It is the performance home of the state's largest orchestra, opera, ballet, Broadway and children's theatre productions. Governor's School for the Arts is a division of The Kentucky Center that serves student artists from across the Commonwealth.

The Kentucky Center houses three theaters: the 2,479-seat Robert S. Whitney Hall, the 619-seat Moritz von Bomhard Theater, and the 139-seat Boyd Martin Experimental Theater. The facility features a multi-tiered lobby, rehearsal halls, a 190-seat restaurant and spaces for social and business events. All areas of the facility are accessible to those with physical disabilities, and nationally award-winning services for patrons who are hearing or visually disabled are available during performances.

The Governor's School for the Arts addresses the needs of an underserved population – the state's artistically gifted and talented young people – and supports the Kentucky Education Reform Act's mission to recognize the widest possible range of learning styles and capabilities. Many of its students come from rural areas of Kentucky where specialized arts instruction is not available. The Kentucky Center provides a wide range of other nationally recognized educational programs including professional development for teachers, partnerships with schools and community centers, and opportunities for artists to work in classrooms. In addition to these programs, The Kentucky Center's management also provides consulting services throughout the state.